



STATE BOARD OF EQUALIZATION

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Fourth District, Pasadena

KENNETH CORY  
Controller, Sacramento

DOUGLAS D. BELL  
Executive Secretary

No. 81/120

October 2, 1981

TO COUNTY ASSESSORS:

LEGISLATIVE CHANGES INVOLVING ESCAPE ASSESSMENTS  
AND TAXABILITY OF TRANSIT DEVELOPMENT BOARD PROPERTY

The Governor signed Senate Bill 574 on September 11, 1981. As Chapter 414, Statutes of 1981, it becomes effective on January 1, 1982. This bill amends Section 201.1 of the Revenue and Taxation Code and makes permanent the present property tax exemption for property owned by a nonprofit entity that is solely owned by a transit development board. The existing law expires January 1, 1982. The bill also prohibits any state reimbursement from being made under Section 16113 of the Government Code or Section 2229 of the Revenue and Taxation Code.

On September 11, 1981, Governor Brown signed Assembly Bill 1521 and it became Chapter 418, Statutes of 1981, having an effective date of January 1, 1982. This bill adds Section 532.5 to the Revenue and Taxation Code providing that, notwithstanding any other provision of law, there shall be no penalties or interest on taxes due on escaped assessments where the error causing the escaped assessment was not that of the assessee. The bill also provides assessee the option to pay the escaped taxes due over an eight-year period if the error was not that of the assessee.

Assembly Bill 2178, was signed by the Governor on September 11, 1981, as Chapter 462, Statutes of 1981, and becomes effective January 1, 1982. This bill, by amending Section 534 of the Revenue and Taxation Code, provides that, for purposes of the statute of limitation, escape assessments shall be deemed made on the date entered on the roll if the assessee is notified within 60 days after the statute of limitations. Otherwise escaped assessments shall be deemed made only on the date the assessee is notified.

Copies of the bills are enclosed for your information.

Sincerely,

Verne Walton, Chief  
Assessment Standards Division

VW:hlo  
Enclosures  
AL-01-0358A